

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: **Developer** Eddie Onouve, Inc.

Address 1330 S. Beretania Street, Suite 308, Honolulu, Hawaii 96814

Project Name(*) WARD KINAU

Address: 824 Kinau Street, Honolulu, Hawaii 96813

Registration No. 2959 (Conversion)

Effective date: September 24, 1993

Expiration date: October 24, 1994

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

Type of Report:

- ☐ **PRELIMINARY:** The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed.
(yellow)
- ☒ **FINAL:** The developer has legally created a condominium and has filed complete information with the Commission.
(white)
- ☒ No prior reports have been issued.
☐ This report supersedes all prior public reports.
☐ This report must be read together with _____
- ☐ **SUPPLEMENTARY:** This report updates information contained in the:
(pink)
- ☐ Preliminary Public Report dated: _____
☐ Final Public Report dated: _____
☐ Supplementary Public Report dated: _____
- And ☐ Supersedes all prior public reports
☐ Must be read together with _____
☐ This report reactivates the _____
public report(s) which expired on _____

(*) Exactly as named in the Declaration

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

☒ Required and attached to this report ☐ Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

☒ No prior reports have been issued by the developer.

☐ Changes made are as follows:

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General Information On Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owners/tenants) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements at the lessee's expense. Leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

"Common elements" are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called "limited common elements" and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the project's Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: Eddie Onouye, Inc. Phone: (808) 595-6445
Name (Business)
1330 S. Beretania Street, Suite 308
Business Address
Honolulu, Hawaii 96814

Names of officers or general partners of developers who are corporations or partnerships:

Edward Onouye - President, Secretary/Treasurer, Director
Rodney Mukai - Assistant Secretary/Assistant Treasurer

Real Estate
Broker: See attached 5a Phone: _____
Name (Business)
Business Address

Escrow: Security Title Corp., Attn: David Phone: 321-9511
Name Palk, Jr. (Business)
Pacific Tower, 1001 Bishop Street, Suite 1200
Business Address
Honolulu, Hawaii 96813

General
Contractor: N/A Phone: N/A
Name (Business)
Business Address

Condominium
Managing
Agent: Hawaiiana Management Company, Ltd. Phone: 528-3800
Name (Business)
1270 Ala Moana Boulevard
Business Address
Honolulu, Hawaii 96814

Attorney for
Developer: Foley Maehara Judge Nip & Chang Phone: 526-3011
Name (Business)
737 Bishop Street, Suite 2700
Business Address
Honolulu, Hawaii 96813

Attn: Edward R. Brooks, Esq.

- 1) Ron Corp.
Ronald M. Okubo, Realtor
1221 Kapiolani Blvd., Suite 230
Honolulu, Hawaii 96814
Phone: 531-6774
- 2) Realty Edge Inc.
1313 So. Beretania Street, Suite 310
Honolulu, Hawaii 96814
Phone: 521-9999
- 3) Bryn James, Realtor
1212 Nuuanu Avenue, Apt. 3307
Honolulu, Hawaii 96813
Phone: 524-7707
- 4) Easter B. Blanchfield, Realtor
1001 Bishop Street
Pacific Tower, Suite 955
Honolulu, Hawaii 96813
Phone: 523-3455
- 5) R. Ishibashi, Inc.
Robin A. Ishibashi, Realtor
1330 So. Beretania Street, Suite 308
Honolulu, Hawaii 96814
Phone; 522-9100

**II. CREATION OF THE CONDOMINIUM;
CONDOMINIUM DOCUMENTS**

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

- A. Declaration of Condominium Property Regime contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

☐ Proposed
☒ Recorded - Bureau of Conveyances: Document No. 93-069655
Book _____ Page _____
☐ Filed - Land Court: Document No. _____

The Declaration referred to above has been amended by the following instruments (state name of document, date and recording/filing information):

First Amendment to Declaration of Condominium Property Regime of Ward Kinau Apartments and to By-Laws of the Association of Apartment Owners of Ward Kinau Apartments undated, recorded as Document No. 93-142753.

- B. Condominium Map (File Plan) shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

☐ Proposed
☒ Recorded - Bureau of Conveyances Condo Map No. 1854
☐ Filed - Land Court Condo Map No. _____

The Condominium Map has been amended by the following instruments (state name of document, date and recording/filing information): First Amendment to Declaration of Condominium Project Regime of Ward Kinau Apartments and to By-Laws of the Association of Apartment Owners of Ward Kinau Apartments undated, recorded as Document No. 93-142753.

- C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

☐ Proposed
☒ Recorded - Bureau of Conveyances: Document No. 93-069656
Book _____ Page _____
☐ Filed - Land Court: Document No. _____

The Bylaws referred to above have been amended by the following instruments (state name of document, date and recording/filing information): First Amendment to Declaration of Condominium Property Regime of Ward Kinau Apartments and to By-Laws of the Association of Apartment Owners of Ward Kinau Apartments undated, recorded as Document No. 93-142753.

- D. House Rules. The Board of Directors may adopt House Rules to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial House Rules are usually adopted by the developer.

The House Rules for this condominium are:

☒ Proposed ☐ Adopted ☐ Developer does not plan to adopt House Rules

E. Changes to Condominium Documents

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. Apartment Owners: Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%*	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	—	<u>majority</u> of the board

* The percentages for individual condominium projects may be more than the minimum set by law for projects with five or fewer apartments.

2. Developer:

☐ No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

☒ Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules:

See Exhibit "A" attached hereto and made a part hereof.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- ☒ Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.
- ☐ Leasehold or Subleasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

Leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (apartment owner/tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: ☐ Monthly ☐ Quarterly
 ☐ Semi-Annually ☐ Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per ☐ Month ☐ Year

For Subleaseholds:

- ☐ Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:
 ☐ Canceled ☐ Foreclosed

- ☐ As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.

- ☐ Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or Subleasehold:

Leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners/tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: ☐ Monthly ☐ Quarterly
 ☐ Semi-Annually ☐ Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per ☐ Month ☐ Year

☐ Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

B. Underlying Land:

Address: 824 Kinau Street
Honolulu, Hawaii 96813

Tax Map Key: (1) 2-1-040:001
(TMO)

☐ Address ☐ TMO is expected to change because N/A

Land Area: 18,736

☒ square feet

☐ acre(s)

Zoning: A-4

~~Lesitor~~

(Fee Owner): Eddie Onouye, Inc.
Name
1330 S. Beretania Street, Suite 308
Address
Honolulu, Hawaii 96814

Sublessor: N/A
Name
Address

C. Buildings and Other Improvements:

1. ☐ New Building(s) ☒ Conversion of Existing Building(s) ☐ Both New Building(s) and Conversion
2. Number of Buildings: one (1) Floors Per Building twelve (12) with six (6) underground parking levels
☐ Exhibit N/A contains further explanations.

3. Principal Construction Material:

☒ Concrete ☐ Hollow Tile ☐ Wood
☐ Other _____

4. Permitted Uses by Zoning:

	No. of Apts.	Use Permitted By Zoning	No. of Apts.	Use Determined By Zoning
<input checked="" type="checkbox"/> Residential	<u>147</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Ohana	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Commercial	___	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Industrial	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	___	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Agricultural	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	___	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Recreational	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	___	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Other: _____	___	<input type="checkbox"/> Yes <input type="checkbox"/> No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?

☒ Yes ☐ No

5. Special Use Restrictions:

The Declaration and Bylaws may contain restrictions on the use and occupancy of the apartments. Restrictions for this condominium project include but are not limited to:

No livestock, poultry, rabbits or other animals whatsoever, except dogs,
☒ Pets: cats and other household pets of reasonable size and number and certified guide dogs and signal dogs, but not kept for commercial purposes.

☐ Number of Occupants: _____

☒ Other: No apartment shall be used for transient hotel or time sharing purposes.

☐ There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 2 Stairways: 3 Trash Chutes: 1

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
A	12	studio/1	313	17
A-1	12	studio/1	290	17
B	60	studio/1	365	63
G	2	studio/1	298	0
Penthouse	1	2/1	720	0
B-1	60	studio/1	365	63

Total Apartments: 147

*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

Boundaries of Each Apartment:

The perimeter and party walls, windows, doors, floors and ceilings of each apartment.

Permitted Alterations to Apartments:

See Exhibit "B" attached hereto and made a part hereof.

7. Parking Stalls:

Total Parking Stalls: 138

	<u>Regular</u>		<u>Compact</u>		<u>Regular - Tandem -</u>		
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>TOTAL</u>
Assigned (for each unit)	<u>80</u>	<u>2</u>	<u>28</u>	<u>10</u>	<u>14</u>	<u>-</u>	<u>134</u>
Guest	<u>-</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>4</u>
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Extra for	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Purchase	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Covered & Open	<u>82</u>		<u>42</u>		<u>14</u>		

~~Certain~~ ^s ~~Each apartment~~ will have the exclusive use of ~~at least one~~ (1) parking stall(s).
Buyers are encouraged to find out which stall(s) will be available for their use.

- ☐ Commercial parking garage permitted in condominium project.
- ☐ Exhibit _____ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

- ☐ There are no recreational or common facilities.
- ☐ Swimming pool ☒ Storage Area ☒ Recreation Area
- ☒ Laundry Area ☐ Tennis Court ☒ Trash Chute
- ☒ Other: bike rack areas, trash room

9. Compliance With Building Code and Municipal Regulations: Cost to Cure Violations

- ☒ There are no violations. ☐ Violations will not be cured.
- ☐ Violations and cost to cure are listed below. ☐ Violations will be cured by _____

See Exhibit "C" attached hereto and made a part hereof. Though the letter mentions 139 parking spaces, the Developer has represented, and Condominium Map No. 1854 for the Project shows a total of 138 parking spaces.

10. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations
(For conversions of residential apartments in existence for at least five years):

No representations are made by the Developer regarding the Conditions and expected useful life of structural components or mechanical or electrical installations of the Project. However, see the letters attached as Exhibit "B" to the DISCLOSURE ABSTRACT, a copy of which must be given to each prospective buyer along with this Public Report. 12

11. Conformance to Present Zoning Code

a. ☒ No variances to zoning code have been granted.

☐ Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u>X</u>	<u> </u>	<u> </u>
Structures	<u>X</u>	<u> </u>	<u> </u>
Lot	<u>X</u>	<u> </u>	<u> </u>

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

D. Common Elements, Limited Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium project other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for this project, as described in the Declaration, are:

☒ described in Exhibit "D".

☐ as follows

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

☐ There are no limited common elements in this project.

☒ The limited common elements and the apartments which use them, as described in the Declaration, are:

☒ described in Exhibit "D".

☐ as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

☒ described in Exhibit "E".

☐ as follows:

- E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit "F" describes the encumbrances against the title contained in the title report dated August 31, 1993 and issued by First American Title Insurance Company.

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

[] There are no blanket liens affecting title to the individual apartments.

~~[X]~~ There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. The buyer's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
1) Mortgage, Security Agreement and Financing Statement dated August 27, 1993, Document No. 93-142749	The Deposit Receipt and Sales Contract shall be cancelled, and funds deposited by buyer with Escrow Agent shall be returned to buyer.
2) Assignment of Rents dated August 27, 1993, Document No. 93-142750	
3) Assignment of Sales Contracts and Sales Proceeds dated August 27, 1993, Document No. 93-142751	
4) Financing Statement, Document No. 93-142752	
F. <u>Construction Warranties:</u>	

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements:

See Exhibit "G" attached hereto and made a part hereof.

2. Appliances:

See Exhibit "G" attached hereto and made a part hereof.

G. Status of Construction and Estimated Completion Date:

Construction of the improvements was completed in 1973.

H. Project Phases:

The developer [] has [X] has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing):

N/A

IV. CONDOMINIUM MANAGEMENT

- A. Management of the Common Elements: The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a condominium managing agent to assist the Association in managing the condominium project.

Initial Condominium Managing Agent: When the developer or the developer's affiliate is the initial condominium managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial condominium managing agent for this project, named on page five (5) of this report, is:

☒ not affiliated with the Developer ☐ the Developer or the Developer's affiliate.
☐ self-managed by the Association of Apartment Owners ☐ other _____

B. Estimate of Initial Maintenance Fees:

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, your apartment may be liened and sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.

Exhibit "H" contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

C. Utility Charges for Apartments:

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

☐ None ☒ Electricity ☒ Gas ☒ Water
 common elements
☒ Sewer ☐ Television Cable ☒ Other refuse collection, telephone (comm
 elevator maintenance elements)

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

☒ Notice to Owner Occupants

☒ Specimen Sales Contract

Exhibit "I" contains a summary of the pertinent provisions of the sales contract.

☒ Escrow Agreement dated July 12, 1993

Exhibit "I" contains a summary of the pertinent provisions of the escrow agreement.

☐ Other _____

B. Buyer's Right to Cancel Sales Contract:

1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report or Supplementary Report to a Final Report: Sales made by the developer are binding if:

A) The Developer delivers to the buyer a copy of:

1) Either the Final Public Report OR the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission;

AND

2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;

B) The buyer is given an opportunity to read the report(s); AND

C) One of the following has occurred:

1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or

2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or

3) The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; AND

B) The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:
- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
 - B) Declaration of Condominium Property Regime., as amended
 - C) Bylaws of the Association of Apartment Owners, as amended
 - D) House Rules.
 - E) Condominium Map, as amended
 - F) Escrow Agreement.
 - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
 - H) Other _____

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P. O. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 2959 filed with the Real Estate Commission on Sept. 7, 199

Reproduction of Report. When reproduced, this report must be on:

☐ yellow paper stock ☒ white paper stock ☐ pink paper stock

C. Additional Information Not Covered Above

- D. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

Eddie Onouye, Inc.

Name of Developer

By: 

Duly Authorized Signatory

September 3, 1993

Date

Edward Onouye, President

print name & title of person signing above

Distribution:

Department of Finance, City and County of Honolulu
Planning Department, City and County of Honolulu
Federal Housing Administration

EXHIBIT "A"

DEVELOPER'S RESERVED RIGHTS TO CHANGE CONDOMINIUM DOCUMENTS

The following provisions in the Declaration and the By-Laws, as amended, as indicated, reflect those rights which the Declarant has reserved to change the Declaration, Condominium File Plan, By-Laws and Rules and Regulations ("House Rules"):

I. DECLARATION

Paragraph C.5. EASEMENTS.

The Declarant hereby reserves the right, for itself and its successors and assigns, to designate and to grant to any public or governmental authority rights-of-way and other easements which are for the sole benefit of the project, or which do not materially and adversely interfere with the use, nor materially and adversely impair the value of the project or any apartment in it, over, across, under and through the common elements for lines and other transmission facilities and appurtenances for electricity, gas, telephone, water, sewer, drainage, and other public services and utilities, and rights to enter for the purpose of installing, repairing, altering and removing such lines and facilities and of trimming any trees in the way thereof, and to amend this Declaration, the Condominium Map and the By-Laws consistent with any grant of rights by Declarant under this paragraph.

Paragraph P. AMENDMENT OF DECLARATION.

(a) No amendment of this Declaration, the By-Laws, or the Condominium Map shall, without the Declarant's prior written consent, limit, affect or impair the easements or reserved rights of the Declarant.

(b) At any time prior to the recording in the Bureau of Conveyances of an apartment deed or an apartment lease conveying or demising an apartment to a party other than the Declarant, the Declarant may amend this Declaration (including any exhibits), the By-Laws or the Condominium Map in any manner without the approval or consent of any other party.

II. BY-LAWS

Article I, Section 1.01(a) Qualification.

At all times prior to the time at which the conveyance of the first apartment becomes effective, the Declarant shall act in any and all matters as the Association and the Board of Directors (the "Board"), except as to those rights reserved to Declarant in

paragraph C.5 of the Declaration, which rights have been reserved until such time as all of the apartments in the Project have been sold.

Article VI, Section 6.01 Amendment.

Notwithstanding anything herein to the contrary, the Declarant reserves the right to amend these By-Laws without the consent or joinder of the persons then owning the apartments by filing or recording an amendment to these By-Laws to comply with the real estate laws of another jurisdiction or the requirements of any governmental agency of Hawaii or any other jurisdiction in connection with the registration of the project to permit the sale of apartments.

EXHIBIT "B"

PERMITTED ALTERATIONS TO APARTMENTS

The Declaration and By-Laws permit alterations to the apartment as follows:

I. DECLARATION

Paragraph N. ALTERATION OF PROJECT. Except as otherwise provided by the Fair Housing Act, 42 U.S.C. § 3601, et seq., as amended by the Fair Housing Amendment Act of 1988, and the rules and regulations promulgated thereunder, as the same may be amended from time to time in the future, restoration or replacement of the project, or any building or other structure or structural alteration or addition thereto, different in any material respect from the Condominium Map(s) of the project, shall be undertaken by the Association or any apartment owners only pursuant to an amendment of this Declaration, duly executed by or pursuant to a vote of at least seventy-five percent (75%) of the apartment owners together with the consent of all apartment owners whose apartments or limited common elements appurtenant thereto are directly affected and accompanied by the written consent of the holders of all liens affecting any of the apartments, and in accordance with complete plans and specifications therefor first approved in writing by the Lessor and the Board, and promptly upon completion of such restoration, replacement, construction, alteration or addition the Association shall duly record or file of record such amendment together with a complete set of floor plans of the project as so altered, certified as built by a registered architect or professional engineer. Provided, however, that notwithstanding any provision in this Declaration to the contrary, any alterations or additions within an apartment or within a limited common element appurtenant to and for the exclusive use of an apartment, or of certain apartments, shall require only the written approval thereof, including the apartment owner's plans therefor, by the Lessor, the institutional holders of mortgages covering such apartment (if the mortgagees require such approval), the Board, and all other apartment owners thereby directly affected (as determined by said Board), and such alterations or additions may be undertaken without an amendment to this Declaration or filing of a complete set of floor plans of the project as so altered.

Non-material additions to the common elements, including, without limitation, the installation of solar energy devices as defined by Section 468B-1, Hawaii Revised Statutes, as amended, shall require approval only by the Board and by sixty-five percent (65%) of the apartment owners, together with the consent of all other apartment owners thereby directly affected (as determined by the Board). For so long as a statutory definition of "non-material structural additions to the common elements" shall be prescribed by Section 514A-89, Hawaii Revised Statutes, as amended, as it may be

amended from time to time or by any substitute or successor statute, said statutory definition shall be applied in interpreting the foregoing sentence.

II. BY-LAWS

Article IV, Section 4.15. Additions or Alterations by the Board.

(A) Additions, alterations, repairs or improvements to the common or limited common elements of the Project may be made only by or at the direction of the Board, except as provided for in the Declaration. No owner of an apartment may, except with the written consent of the Board, make any alteration, addition, repair or improvement to any of the common elements including, without limitation, common or limited common elements within, encompassing or adjacent to such owner's apartment, except as provided for in the Declaration or if such alteration, addition, repair or improvement shall be required by law.

(B) Whenever in the judgment of the Board the common elements shall require additions or alterations costing less than TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00) which are to be paid as a common expense from normal annual operating funds and not from any capital improvements reserve funds, the Board may proceed with such additions or alterations and shall assess all owners (or a part of the owners in the case of such additions or alterations to the limited common elements) for the cost thereof as a common expense. Any additions or alterations costing in excess of said amount shall be made by the Board only after obtaining approval of a majority of the apartment owners.

Article V, Section 5.12. Additions or Alterations by Apartment Owners.

No apartment owner shall do any work which could jeopardize the soundness or safety of the property, reduce the value thereof, or impair any easement or hereditament, nor may any apartment owner add any material structure or excavate any additional basement or cellar, without in every such case the consent of seventy-five percent (75%) of the apartment owners, together with the consent of all apartment owners whose apartments or limited common elements appurtenant thereto are directly affected, being first obtained. Except as may be otherwise provided herein or in the Declaration, no owner shall install any solar energy devices or make any addition or alteration in or to such owner's apartment which may affect the common elements or change the exterior appearance of the Project, without the prior written consent thereto of the Board. The Board shall have the obligation to answer any written request by an apartment owner for approval of a proposed addition or alteration in such owner's apartment within thirty (30) days after

such request, and failure to do so within the stipulated time shall constitute a consent by the Board to the proposed addition or alteration.

EXHIBIT "C"

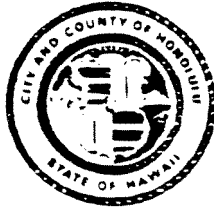
COMPLIANCE WITH BUILDING CODE AND
MUNICIPAL REGULATIONS; COST TO CURE VIOLATIONS

Paragraph Q of the Declaration provides: ..

The project consists of an existing twenty (12) story apartment building and one hundred thirty-eight (138) off-street parking spaces, all of which conformed to all applicable code requirements at the time of its construction in 1973. In addition, no variances, conditional use permits or any other zoning permits have been granted for the property to allow deviations from current code, or code in effect at the time of construction of the apartment building.

EXHIBIT "C"
DEPARTMENT OF LAND UTILIZATION
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET
HONOLULU, HAWAII 96813 • (808) 523-4432



FRANK F. FASI
MAYOR

DONALD A. CLEGG
DIRECTOR

LORETTA K. C. CHEE
DEPUTY DIRECTOR

LU/91-9093 (DM)

December 26, 1991

Mr. Scott S. Yasui
Rush Moore Craven Sutton Morry & Beh
Hawaii Tower, 20th Floor
745 Fort Street
Honolulu, Hawaii 96813

Dear Mr. Yasui:

Ward Kinau Apartments
TMK No. (1)2-1-040: 001

This is in reply to your letter dated November 20, 1991, concerning the zoning for the above property. The purpose of this request is to meet Condominium Property Regime requirements.

The City's Building Department has a standard procedure for handling this type of review. By copy of this letter, we are forwarding your request to them. You may contact them at phone number 523-4505 for further information.

Our records indicate that no variances, conditional use permits or any other zoning permits have been issued for this property. Also, a request for a zoning variance to allow a canopy to enroach into the front yard was denied by the Zoning Board of Appeals on May 15, 1975.

If you have any questions, please contact David Matsushima of our staff at 527-5872.

Very truly yours,

A handwritten signature in cursive script, reading "Donald A. Clegg".

DONALD A. CLEGG
Director of Land Utilization

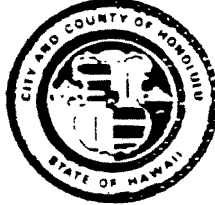
DAC:cak
2140 .1
cc: Building Department
Real Estate Commission
Ward Kinau Ventures

EXHIBIT "C"

BUILDING DEPARTMENT

CITY AND COUNTY OF HONOLULU

HONOLULU MUNICIPAL BUILDING
650 SOUTH KING STREET
HONOLULU, HAWAII 96813



HERBERT K. MURAOKA
DIRECTOR AND BUILDING SUPERINTENDENT

Ex91-168

December 27, 1991

Mr. Scott S. Yasui
Rush Moore Craven Sutton Morry & Beh
Attorneys at Law
745 Fort Street
20th Floor, Hawaii Tower
Honolulu, Hawaii 96813

Dear Mr. Yasui:

Subject: Condominium Conversion Project
Ward Kinau Apartments
824 Kinau Street
Tax Map Key: 2-1-40: 01

This is in reply to your letter dated November 21, 1991 requesting confirmation that the 14-story apartment building located at the above-mentioned property met all applicable code requirements at the time of construction.

Investigation revealed that the apartment building with 139 off-street parking spaces met all applicable code requirements when it was constructed in 1973.

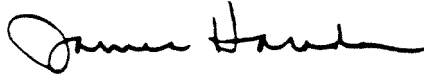
The Building Department cannot determine whether this project contains any legal nonconforming uses or structures as a result of the adoption or amendment of any ordinances or codes.

No variances or special permits were granted to allow deviations from any applicable codes.

Mr. Scott S. Yasui
Page 2
December 27, 1991

If you have any questions regarding this matter, please
contact Mr. Ivan Matsumoto at 527-6341.

Very truly yours,



FOR HERBERT K. MURAOKA
Director and
Building Superintendent

Subscribed and sworn to
before me this 31th day of
December, 1991.



Notary Public, First Judicial Circuit
State of Hawaii
My commission expires: June 21, 1995

EXHIBIT "D"

DESCRIPTION OF COMMON
ELEMENTS AND LIMITED COMMON ELEMENTS

I. COMMON ELEMENTS

Paragraph A.2. of the Declaration provides:

One freehold estate is hereby designated in all remaining portions of the project, which shall include the limited common elements described in paragraph A.3. hereinbelow, herein called the "common elements", including specifically but not limited to:

- (a) Said land in fee simple;
- (b) All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter, party and load-bearing walls, roofs, entries, lanais, stairways, elevators, walkways, lobby areas, corridors, entrances and exits of the building;
- (c) All yards, grounds and landscaping;
- (d) All roads, driveways and parking areas;
- (e) All pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the project which serve more than one apartment for services such as power, light, gas, water, sewer, telephone and television signal distribution, if any; and
- (f) The laundry room located on level "G";
- (g) The trash rooms and storage closets located on floors 1 through 12;
- (h) Heater room located on the roof level;
- (i) Recreation area located on the roof level;
- (j) Elevator machine room located on the roof of the apartment designated as PH;
- (k) Switch room and trash area located on level "F";
- (l) Mechanical room and equipment room located on level "D";

- (m) Mechanical room and equipment room located on level "B";
- (n) Four (4) visitor parking spaces, four (4) of which are uncovered spaces located on parking level "G".
- (o) Two (2) bike rack areas, one (1) each located on levels "A" and "C".
- (p) Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

II. LIMITED COMMON ELEMENTS

Paragraph A.3 of the Declaration provides:

Certain parts of the common elements, herein called the "limited common elements", are hereby designated and set aside for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto easements for the use of such limited common elements as follows:

- (a) The lanai adjoining any apartment, as shown on the Condominium Map, shall be appurtenant to and for the exclusive use of such apartment.
- (b) Certain apartments shall have appurtenant to them for their exclusive use one (1) parking space, as set forth on Exhibit "B" attached hereto and made a part hereof.
- (c) Each apartment shall have appurtenant to it for its exclusive use one (1) mailbox bearing the same number as the apartment.

All costs and expenses pertaining to the limited common elements, including without limitation the costs and expenses of maintenance, repair, replacement, addition and improvement, shall be charged to and borne by the owner of the apartment to which the limited common element is appurtenant. If there is more than one apartment to which a limited common element is appurtenant, then the costs and expenses shall be charged to and borne by the owners in proportion that the common interest appurtenant to each apartment bears to the total common interest appurtenant to all of the apartments to which the limited common element is appurtenant.

EXHIBIT "E"

COMMON INTERESTS

<u>Apt. No.</u>	<u>Percentage Common Interest</u>
F-1	.4940
G-1	.4940
101	.5471
102	.5089
103	.7095
104	.7095
105	.7095
106	.7095
107	.7095
108	.7095
109	.7095
110	.7095
111	.7095
112	.7095
201	.5471
202	.5089
203	.7095
204	.7095
205	.7095
206	.7095
207	.7095
208	.7095
209	.7095
210	.7095
211	.7095
212	.7095

<u>Apt. No.</u>	<u>Percentage Common Interest</u>
301	.5471
302	.5089
303	.7095
304	.7095
305	.7095
306	.7095
307	.7095
308	.7095
309	.7095
310	.7095
311	.7095
312	.7095
401	.5471
402	.5089
403	.7095
404	.7095
405	.7095
406	.7095
407	.7095
408	.7095
409	.7095
410	.7095
411	.7095
412	.7095
501	.5471
502	.5089
503	.7095
504	.7095
505	.7095
506	.7095

<u>Apt. No.</u>	<u>Percentage Common Interest</u>
507	.7095
508	.7095
509	.7095
510	.7095
511	.7095
512	.7095
601	.5471
602	.5089
603	.7095
604	.7095
605	.7095
606	.7095
607	.7095
608	.7095
609	.7095
610	.7095
611	.7095
612	.7095
701	.5471
702	.5089
703	.7095
704	.7095
705	.7095
706	.7095
707	.7095
708	.7095
709	.7095
710	.7095
711	.7095
712	.7095

<u>Apt. No.</u>	<u>Percentage Common Interest</u>
801	.5471
802	.5089
803	.7095
804	.7095
805	.7095
806	.7095
807	.7095
808	.7095
809	.7095
810	.7095
811	.7095
812	.7095
901	.5471
902	.5089
903	.7095
904	.7095
905	.7095
906	.7095
907	.7095
908	.7095
909	.7095
910	.7095
911	.7095
912	.7095
1001	.5471
1002	.5089
1003	.7095
1004	.7095
1005	.7095
1006	.7095

<u>Apt. No.</u>	<u>Percentage Common Interest</u>
1007	.7095
1008	.7095
1009	.7095
1010	.7095
1011	.7095
1012	.7095
1101	.5471
1102	.5089
1103	.7095
1104	.7095
1105	.7095
1106	.7095
1107	.7095
1108	.7095
1109	.7095
1110	.7095
1111	.7095
1112	.7095
1201	.5471
1202	.5089
1203	.7095
1204	.7095
1205	.7095
1206	.7095
1207	.7095
1208	.7095
1209	.7095
1210	.7095
1211	.7095
1212	.7095

<u>Apt. No.</u>	Percentage Common <u>Interest</u>
PH	1.200

EXHIBIT "F"

ENCUMBRANCES AGAINST TITLE

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
2. Any and all unrecorded Leases and/or Subleases affecting a portion or portions of the premises herein described, and any encumbrances thereof affecting said Leases and Subleases.
3. The covenants, agreements, obligations, conditions, easements and other provisions as contained in Declaration of Condominium Property Regime of "Ward Kinau Apartments" dated April 29, 1993, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 93-069655. Project is covered by Condominium Map No. 1854, as amended. Said Declaration was amended by undated instrument, recorded as aforesaid as Document No. 93-142753.
4. By-Laws of the Association of Apartment Owners of "Ward Kinau Apartments" dated April 29, 1993, recorded as aforesaid as Document No. 93-069656. Said By-Laws were amended by undated instrument, recorded as aforesaid as Document No. 93-142753.
5. Mortgage, Security Agreement and Financing Statement dated August 27, 1993, executed by Eddie Onouye, Inc., a Hawaii corporation, as Mortgagor, in favor of Realty and Mortgage Investors of the Pacific, Ltd., doing business as RAMPAC, a Delaware corporation, as Mortgagee, recorded as aforesaid as Document No. 93-142749.
6. Assignment of Rents dated August 27, 1993, made by Eddie Onouye, Inc., a Hawaii corporation, as Assignor, and Realty and Mortgage Investors of the Pacific, Ltd., doing business as RAMPAC, a Delaware corporation, as Bank, recorded as aforesaid as Document No. 93-142750.
7. Assignment of Sales Contracts and Sales Proceeds dated August 27, 1993, made by Eddie Onouye, Inc., a Hawaii corporation, as Assignor, and Realty and Mortgage Investors of the Pacific, Ltd., doing business as RAMPAC, a Delaware corporation, as Bank, recorded as aforesaid as Document No. 93-142751.

8. Financing Statement filed on August 31, 1993, by and between Eddie Onouye, Inc., as Debtor, and Realty and Mortgage Investors of the Pacific, Ltd., doing business as RAMPAC, a Delaware corporation, as Secured Party, recorded as aforesaid as Document No. 93-142752.
9. Any and all easements encumbering the apartments, and/or the common interest appurtenant thereto, as created by or mentioned in said Declaration, and/or as shown on said Condominium Map No. 1854.
10. For real property taxes due and payable, reference is made to the Director of Finance, City and County of Honolulu.

EXHIBIT "G"

CONSTRUCTION WARRANTIES

Paragraph 6 of the Sales Contract used in connection with the Project is entitled "Seller's Disclaimer of Warranties" and provides:

(a) No Warranties of Seller. Buyer understands and agrees that Seller is disclaiming any warranties, either express or implied, including any implied warranties of habitability, merchantability or fitness for a particular purpose, with respect to the Project, the Apartment or anything installed or contained therein. Each apartment will be deemed to be transferred "AS IS" with "ALL FAULTS", and Seller will not be liable to Buyer for any construction or other defects, including any latent or hidden defects in the Project, the Apartment or anything installed or contained therein. This means that Buyer will not have the right to file any lawsuit for damages against Seller for any defects later discovered by Buyer. Notwithstanding the foregoing, Seller warrants that at closing all major appliances included in the sale will be in working order consistent with their age. Buyer understands no continuing warranty after closing is expressed or implied.

(b) Hazardous Materials and Condition of Project. Seller has made no independent investigation as to asbestos or other hazardous substances in the apartments or in, under or around the Project, including but not limited to, radioactive materials, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances, and any and all other substances or materials defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" under, or for the purposes of hazardous materials laws. Buyer acknowledges that there may be asbestos or other hazardous substances in the apartments, or in, under or around the Project. Buyer expressly releases Seller from any liability to Buyer if any hazardous materials are discovered.

EXHIBIT "H"

ESTIMATE OF MAINTENANCE FEES
AND
MAINTENANCE FEE DISBURSEMENTS

Apartment Number Monthly Fee x 12 months = Yearly Total

F-1	\$ 92.27	\$1,107.24
G-1	\$ 92.27	\$1,107.24
101	\$101.90	\$1,222.80
102	\$ 94.78	\$1,137.36
103	\$132.14	\$1,585.68
104	\$132.14	\$1,585.68
105	\$132.14	\$1,585.68
106	\$132.14	\$1,585.68
107	\$132.14	\$1,585.68
108	\$132.14	\$1,585.68
109	\$132.14	\$1,585.68
110	\$132.14	\$1,585.68
111	\$132.14	\$1,585.68
112	\$132.14	\$1,585.68
201	\$101.90	\$1,222.80
202	\$ 94.78	\$1,137.36
203	\$132.14	\$1,585.68
204	\$132.14	\$1,585.68
205	\$132.14	\$1,585.68
206	\$132.14	\$1,585.68
207	\$132.14	\$1,585.68
208	\$132.14	\$1,585.68
209	\$132.14	\$1,585.68
210	\$132.14	\$1,585.68
211	\$132.14	\$1,585.68
212	\$132.14	\$1,585.68

Apartment Number Monthly Fee x 12 months = Yearly Total

301	\$101.90	\$1,222.80
302	\$ 94.78	\$1,137.36
303	\$132.14	\$1,585.68
304	\$132.14	\$1,585.68
305	\$132.14	\$1,585.68
306	\$132.14	\$1,585.68
307	\$132.14	\$1,585.68
308	\$132.14	\$1,585.68
309	\$132.14	\$1,585.68
310	\$132.14	\$1,585.68
311	\$132.14	\$1,585.68
312	\$132.14	\$1,585.68
401	\$101.90	\$1,222.80
402	\$ 94.78	\$1,137.36
403	\$132.14	\$1,585.68
404	\$132.14	\$1,585.68
405	\$132.14	\$1,585.68
406	\$132.14	\$1,585.68
407	\$132.14	\$1,585.68
408	\$132.14	\$1,585.68
409	\$132.14	\$1,585.68
410	\$132.14	\$1,585.68
411	\$132.14	\$1,585.68
412	\$132.14	\$1,585.68
501	\$101.90	\$1,222.80
502	\$ 94.78	\$1,137.36
503	\$132.14	\$1,585.68
504	\$132.14	\$1,585.68
505	\$132.14	\$1,585.68

Apartment Number Monthly Fee x 12 months = Yearly Total

506	\$132.14	\$1,585.68
507	\$132.14	\$1,585.68
508	\$132.14	\$1,585.68
509	\$132.14	\$1,585.68
510	\$132.14	\$1,585.68
511	\$132.14	\$1,585.68
512	\$132.14	\$1,585.68
601	\$101.90	\$1,222.80
602	\$ 94.78	\$1,137.36
603	\$132.14	\$1,585.68
604	\$132.14	\$1,585.68
605	\$132.14	\$1,585.68
606	\$132.14	\$1,585.68
607	\$132.14	\$1,585.68
608	\$132.14	\$1,585.68
609	\$132.14	\$1,585.68
610	\$132.14	\$1,585.68
611	\$132.14	\$1,585.68
612	\$132.14	\$1,585.68
701	\$101.90	\$1,222.80
702	\$ 94.78	\$1,137.36
703	\$132.14	\$1,585.68
704	\$132.14	\$1,585.68
705	\$132.14	\$1,585.68
706	\$132.14	\$1,585.68
707	\$132.14	\$1,585.68
708	\$132.14	\$1,585.68
709	\$132.14	\$1,585.68
710	\$132.14	\$1,585.68

Apartment Number Monthly Fee x 12 months = Yearly Total

711	\$132.14	\$1,585.68
712	\$132.14	\$1,585.68
801	\$101.90	\$1,222.80
802	\$ 94.78	\$1,137.36
803	\$132.14	\$1,585.68
804	\$132.14	\$1,585.68
805	\$132.14	\$1,585.68
806	\$132.14	\$1,585.68
807	\$132.14	\$1,585.68
808	\$132.14	\$1,585.68
809	\$132.14	\$1,585.68
810	\$132.14	\$1,585.68
811	\$132.14	\$1,585.68
812	\$132.14	\$1,585.68
901	\$101.90	\$1,222.80
902	\$ 94.78	\$1,137.36
903	\$132.14	\$1,585.68
904	\$132.14	\$1,585.68
905	\$132.14	\$1,585.68
906	\$132.14	\$1,585.68
907	\$132.14	\$1,585.68
908	\$132.14	\$1,585.68
909	\$132.14	\$1,585.68
910	\$132.14	\$1,585.68
911	\$132.14	\$1,585.68
912	\$132.14	\$1,585.68
1001	\$101.90	\$1,222.80
1002	\$ 94.78	\$1,137.36
1003	\$132.14	\$1,585.68

Apartment Number Monthly Fee x 12 months = Yearly Total

1004	\$132.14	\$1,585.68
1005	\$132.14	\$1,585.68
1006	\$132.14	\$1,585.68
1007	\$132.14	\$1,585.68
1008	\$132.14	\$1,585.68
1009	\$132.14	\$1,585.68
1010	\$132.14	\$1,585.68
1011	\$132.14	\$1,585.68
1012	\$132.14	\$1,585.68
1101	\$101.90	\$1,222.80
1102	\$ 94.78	\$1,137.36
1103	\$132.14	\$1,585.68
1104	\$132.14	\$1,585.68
1105	\$132.14	\$1,585.68
1106	\$132.14	\$1,585.68
1107	\$132.14	\$1,585.68
1108	\$132.14	\$1,585.68
1109	\$132.14	\$1,585.68
1110	\$132.14	\$1,585.68
1111	\$132.14	\$1,585.68
1112	\$132.14	\$1,585.68
1201	\$101.90	\$1,222.80
1202	\$ 94.78	\$1,137.36
1203	\$132.14	\$1,585.68
1204	\$132.14	\$1,585.68
1205	\$132.14	\$1,585.68
1206	\$132.14	\$1,585.68
1207	\$132.14	\$1,585.68
1208	\$132.14	\$1,585.68

Apartment Number Monthly Fee x 12 months = Yearly Total

1209	\$132.14	\$1,585.68
1210	\$132.14	\$1,585.68
1211	\$132.14	\$1,585.68
1212	\$132.14	\$1,585.68
Penthouse	\$223.50	\$2,682.00

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency.

EXHIBIT "H"
WARD-KINAU

ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Monthly x 12 months = Yearly Total

Utilities and Services		
Air Conditioning	N/A	N/A
Electricity (Common Elements Only)	2,000	24,000
Elevator	1,000	12,000
Gas	235	2,820
Refuse Collection	510	6,120
Telephone	95	1,140
Water and Sewer	3,400	40,800
Maintenance, Repairs and Supplies		
Building	1,632	19,584
Grounds	300	3,600
Management		
Management Fee	1,450	17,400
Payroll and Payroll Taxes	4,033	48,396
Office Expenses	300	3,600
Insurance	2,500	30,000
Reserves(*)	1,050	12,600
Taxes and Government Assessments	Unknown	Unknown
Audit Fees	120	1,440
TOTAL	18,625	223,500

I, Emory Bush, as agent and employed by Hawaiiana Management Company, the condominium managing agent, for the condominium project Ward-Kinau, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.



Emory Bush
Executive Vice President

Dated: August 20, 1993

(*) Mandatory reserves in effect January 1, 1993

EXHIBIT "I"

SUMMARY OF PERTINENT
PROVISIONS OF SALES CONTRACT

Developer has filed one (1) specimen sales contract with the Hawaii Real Estate Commission. Among other provisions contained therein, the Sales Contract contains the following provisions:

8. CONDITION TO BINDING EFFECT OF AGREEMENT.

(a) Anything herein to the contrary notwithstanding, this Agreement shall not be binding upon Buyer and any obligation to purchase the Apartment under this Agreement shall not be enforceable against Buyer until:

(1) The Commission has issued an effective date for a Final Public Report on the Project, and the Seller has delivered, or caused to be delivered, to the Buyer, either personally or by registered or certified mail with return receipt requested, a true copy of the Final Public Report together with a true copy of all prior public reports on the project, if any, which have not been previously delivered to such Buyer; except that such prior public reports need not be delivered to the Buyer if the Final Public Report supersedes such prior public reports. If, prior to the entering into of this contract, the Commission has, subsequent to its issuance of an effective date for the Final Public Report, issued an effective date for a Supplementary Public Report on the Project, then a true copy of such Supplementary Public Report shall also be delivered to such Buyer in the same manner as the Final Public Report, except that if the Supplementary Public Report supersedes all prior public reports on the project, then only the Supplementary Public Report need be delivered to the Buyer;

(2) Buyer has been given an opportunity to read the reports; and

(3) Two (2) copies of the form of the receipt and notice set forth in Section 514A-62 of the Hawaii Revised Statutes, as amended, have been delivered to Buyer and Buyer (i) executes the receipt and notice; and (ii) waives Buyer's right to cancel; provided, however, that if Buyer does not execute and return the receipt and notice within thirty (30) days from the date of delivery of such reports, or if the Apartment is conveyed to Buyer prior to the expiration of such thirty-day period, Buyer shall be deemed to have receipted for the reports and to have waived Buyer's right to cancel.

(b) Unless such right has previously been waived pursuant to subparagraph (a) hereinabove, Buyer shall have the right to cancel this Agreement at any time prior to the earlier of (1) the conveyance of the Apartment to Buyer or (2) midnight of the

thirtieth (30th) day following the date of delivery of said Final Public Report to Buyer, and, upon any such cancellation, shall be entitled to a prompt and full refund of all monies paid, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of TWO HUNDRED FIFTY AND NO/100 DOLLARS (\$250.00).

14. RISK OF LOSS AND CONDEMNATION. Risk of loss to the Apartment and percentage interest in the common elements shall be borne by Seller until the sooner of the Closing Date or the date Buyer takes possession, and thereafter, such risk of loss shall be borne by Buyer. No taking by eminent domain of an easement or other limited right or of a portion of the common elements which does not substantially interfere with the use and enjoyment of the common elements shall be deemed grounds for cancellation hereof.

15. MAINTENANCE COSTS AND MANAGING AGENT. Buyer has examined and approved the estimate of monthly maintenance fees set forth in the Developer's Disclosure Abstract, a copy of which has been furnished to Buyer, and Buyer agrees that Seller may employ a responsible and competent managing agent for the management, operation and maintenance of the Project. The Developer's Disclosure Abstract includes an estimate of monthly maintenance fees for the Apartment, which estimated budget was prepared in accordance with generally accepted accounting principles. Buyer acknowledges and agrees that such estimates are only estimates and are not intended to be and do not constitute any representation or warranty by Seller, including but not limited to any representation or warranty as to the accuracy of such estimates.

24. SUBORDINATION. Buyer acknowledges that Seller may enter into an agreement with Realty and Mortgage Investors of the Pacific, Ltd., doing business as RAMPAC, a Delaware corporation, or any other established financial institution (hereinafter referred to as "Seller's Lender") pursuant to which Seller's Lender may loan an aggregate not to exceed SEVENTEEN MILLION AND NO/100 DOLLARS (\$17,000,000.00), at an interest rate which shall not be more than TEN percent (10%) per annum. To secure this loan, Seller may grant to Seller's Lender security interests covering Seller's interest in the Project land and the Project, including this Agreement and the property covered by this Agreement. Buyer acknowledges and agrees that all security interests obtained by Seller's Lender in connection with such loan as well as any extensions, renewals and modifications thereof, shall be and remain at all times a lien or charge on the Project, including the property covered by this Agreement, prior to and superior to any and all liens or charges on the Project arising from this Agreement or any other prior reservation agreement. Buyer hereby expressly waives, relinquishes and subordinates the priority or superiority of any lien under this Agreement or any prior reservation agreement in favor of the lien or charge on the Project of the security interests of Seller's Lender. In confirmation of such subordination, Buyer further undertakes and agrees to execute and deliver promptly any further instrument required by Seller's Lender or its successors in

interest to evidence such subordination and hereby appoints Seller as Buyer's attorney-in-fact to execute and deliver any such instrument on behalf of Buyer should Buyer refuse or fail to do so within five (5) days after request is made. Buyer also consents to Seller's assignment by way of security of Seller's interests in this Agreement and Buyer's escrow deposits to Seller's Lender and agrees that in the event of passage of Seller's interests therein to Seller's Lender, Buyer shall attorn to and recognize Seller's Lender or its successors in interest as the Seller hereunder, with all of the rights of the Seller hereunder, as if Seller's Lender were the original Seller hereunder.

28. EASEMENT OVER PARKING STALLS. Buyer acknowledges that the Association and each apartment owner shall have an easement in common with the other apartment owners over parking spaces designated as B-16 and D-24 for such purposes for ingress to, egress from, mechanical rooms located adjacent to said parking spaces, and over parking spaces designated as B-24 and D-16 for such purposes for ingress to, egress from, equipment rooms located adjacent to said parking spaces during reasonable hours and at any time in cases of emergency.

Buyer's Initials

29. LEASE TO ASSOCIATION. Buyer acknowledges that Seller shall make available for lease by the Association, apartments designated as F-1 and PH for a two (2) year period commencing with the recordation of the first Limited Apartment Deed, for use as a manager's office and residence, respectively. The lease shall provide that the Association shall pay all charges, costs and expenses for or in connection with the aforesaid apartments including, without limitation, utilities, maintenance fees, assessments, real property taxes and any increases thereto, which shall constitute a common expense of the Association. At the end of said two year period, Seller shall make one or both of the aforesaid apartments available for purchase by the Association subject to terms and conditions mutually agreed upon by Seller and the Association. If Seller and the Association fail to agree on such terms and conditions, Seller may sell the aforesaid apartments on such terms as shall be determined by Seller in his sole discretion.

Buyer's Initials

EXHIBIT "J"

SUMMARY OF PERTINENT
PROVISIONS OF ESCROW AGREEMENT

Among other provisions, the Condominium Escrow Agreement dated July 12, 1993, executed by and between Eddie Onouye, Inc., as Seller, and Security Title Corporation, as Escrow, provides that a purchaser shall be entitled to a return of his funds and Escrow shall pay funds to such purchaser, without interest, if any one of the following has occurred:

(a) Seller and the purchaser shall have requested Escrow in writing to return to purchaser the funds of purchaser held hereunder by Escrow; or

(b) The purchaser has notified Escrow of its exercise of its option to rescind the Sale Agreement within seven (7) days of executing the Sales Agreement.

In any of the foregoing events, Escrow shall pay said funds to said purchaser and thereupon said Sales Contracts and any conveyance document theretofore delivered to Escrow shall be returned to Seller and shall be deemed no longer held hereunder; provided, however, that no refund shall be made to a purchaser at purchaser's request prior to receipt by Seller of written notice from Escrow of its intent to make such refund.